

# Ryan White Reauthorization Update

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# Overview

- History/structure of the CARE Act
- The recent reauthorization process
- Key changes to the CARE Act
- Immediate implementation concerns
- The future of the CARE Act; opportunities for expanding care

# History of the CARE Act

- Funds care, treatment, support services for low-income people with HIV who are uninsured/underinsured
- Federally funded with state contributions
- Final safety net program/payer of last resort
- Passed into law in 1990
- Reauthorized in 1996, 2000, 2006
- Delivers care to over 500,000 each year

# CARE Act Structure: Title I/Part A

- Funds hardest-hit urban areas
- 22 “Eligible Metropolitan Areas” (EMAs) and 34 “Transitional Grant Areas (TGAs)
- Pays for primary care, treatment, and support services
- Serves estimated 200,000 people each year; two-thirds people of color, 30% women
- Funding priorities set at local by planning council
- Funding is split into formula and supplemental grant
- Fiscal Year 2007: \$604 million

# CARE Act Structure: Title II/Part B

- Funds all states
- Title II base funding: primary care, support services, treatment
- Title II AIDS Drug Assistance Program
- Money is spent by the state
- Historically distributed by formula
- Fiscal Year 2007: Title II base \$406 million (\$75 million increase); ADAP \$789 million

# CARE Act Structure: Title III/Part C

- Direct grants to primary health clinics and public health providers
- Intended to target underserved in urban/rural areas
- Primary care, treatment, mental health, substance abuse, oral care, case mgmt., nutritional services
- Funds 360 clinics; serves 185,000 people
- HIV testing/counseling is key component
- Fiscal Year 2007: \$193.5 million

# CARE Act Structure: Title IV/Part D

- Funds services targeting women, children, youth and families living with/affected by HIV/AIDS
- Direct grants to health providers/agencies to provide care, psychosocial services, prevention, outreach, and linkages to clinical research
- Funds 600 sites; 53,000 clients. 88% of clients are people of color
- Fiscal Year 2007: \$71.8 million

# CARE Act Structure: Minority AIDS Initiative

- Included in all Titles of the CARE Act
- Codified into CARE Act in recent reauthorization
- Funds organizations/providers serving communities of color
- Funds capacity building, outreach programs that link to care/treatment access, technical assistance, direct services
- Fiscal Year 2007: \$399 million (includes prevention)

# CARE Act Structure: Other

- Dental Care
- AIDS Education and Training Centers
- Special Projects of National Significance

# Recent reauthorization process

- 2004/2005: Advocates developed position papers and priorities
- July, 2005: President released principles
- 2005/early 2006: Staff of House/Senate committees overseeing the CARE Act worked in bicameral, bipartisan process to craft bill
- September, 2005: CARE Act expires; continues to be funded
- January, 2006: Bipartisan committee holds “listening session” to hear community positions (January, 2006)
- May, 2006: Senators Enzi/Kennedy release Senate version of bill. Passes Senate HELP Committee with one no vote (Sen. Clinton)

# Recent reauthorization process

- Summer, 2006: Bill stalls
- September, 2006: House version is introduced; passes committee and full House
- September, 2006: Senators from New York, New Jersey, California put hold on Senate bill
- December, 2006: Compromise is reached; Senate passes bill and signed by President Bush

# Reauthorization Climate

- Assumption of little/no new funding
- “Winners” and “Losers”
- Geographic tension
- Lack of unity among community (exception: Title II base)
- Influence of medical providers
- How to incorporate HIV data

# Broad changes

- New name: Ryan White HIV Treatment Modernization Act of 2006
- Increased funding to states with no Title I areas (rural/south)
- Decreased funding to New York, New Jersey, Florida
- Many smaller Title I cities to get big funding cut
- Counting HIV cases to determine formula

# Broad changes

- Prioritization of “core medical services”
- Low authorization levels: 3.7 percent increase per year (Titles I, II, III)
- Three-year bill: sunsets on September 30, 2009
- Intention is to replace CARE Act with different system after three years

# Changes: Title I/Part A

- Divided into two “Tiers”
- Eligible Metropolitan Areas (EMAs)
  - 2,000 AIDS cases in previous 5 years
  - 22 EMAs
  - Share 2/3rds of all Title I funding
  - Hold harmless: can lose no more than 5% over FY 2006 funding over three years. Applies only to formula
  - Must have planning councils

# Changes: Title I/Part A

- Transitional Grant Areas (TGA's)
  - 1,000-1999 AIDS cases in previous 5 years
  - All “grandfathered” areas included
  - 5 new areas (Nashville, Memphis, Baton Rouge, Indianapolis, Charlotte)
  - Share 1/3 of all Title I funding
  - No hold harmless
  - New areas don't need planning councils, must document input process

# Overall Title I changes

- Funding: 67% formula/33% supplemental (changed from 50/50)
- Hold harmless to be funded by supplemental (leaving little money in supp.)
- Funding formula includes living HIV and AIDS cases (changed from estimated AIDS cases only).
- Code-based HIV data can be used; 5% “duplication” penalty
- 75% of funding must be used for “core medical services”
- Waiver allowed if area has no ADAP waiting list and core services available to eligible clients
- Waiver process unclear; Nassau/Suffolk counties sue successfully

# More Title I

- Minority AIDS Initiative: moves from formula-based funding to competitive grants. New funding date causing problems.
- Funding timeline for Title I
  - March 1<sup>st</sup>: Formula funding announced
  - End of April: Supplemental funding announced
  - August 1<sup>st</sup>: Minority AIDS Initiative funding announced

# Title II/ADAP changes (Part B)

- Funding distributed based on actual living HIV and AIDS cases (changed from estimated AIDS cases)
- States can use code HIV data with 5% duplication penalty
- Slight shift in formula weight to rural states
  - 75% based on total HIV/AIDS count
  - 20% based on HIV/AIDS count outside Title I areas
  - 5% for states with no Title I areas

## Title II/ADAP changes

- 75% of Base funding must go to core services (same list as Title I)
- Same waiver as Title I
- Hold harmless: same as Title I. States can't lose more than 5% of their FY 06 money over three years

# Changes specific to Title II base

- Minority AIDS Initiative: competitive grants, not formula
- Title II “Emerging Communities”
  - Cities with 500-999 AIDS cases in last 5 years
  - List not yet available
  - Share \$5 million (all formula)
  - No hold harmless
- New Title II base supplemental
  - 1/3<sup>rd</sup> of any new Title II base funding goes to supplemental (\$25 million in FY 07)
  - Funds hold harmless
  - Any money leftover: distributed based on competitive grants to states demonstrating severe need

# Changes specific to ADAP

- 5% of ADAP earmark to be set aside for ADAP supplemental
  - Changed from 3%
  - Secretary of HHS to determine eligibility standards (i.e. does state have adequate eligibility guidelines, formulary composition, number of eligible clients not able to get drugs from minimum list)
  - To be distributed by formula (NOT competitive grant)
  - Fund not to be used for hold harmless (unlike previous years)
  - State match can be waived if state provided match for rest of Title II

# Changes specific to ADAP

- Minimum drug list
  - Secretary of HHS to develop list of required antiretroviral “classes” that all states must provide
  - Letter recently issued by HHS
    - Most interpreting that “classes” must be provided, not individual drugs
    - Classes: Non-nucleoside Reverse Transcriptase Inhibitors, Nucleoside/Nucleotide Analogues, Protease Inhibitors, Fusion Inhibitors
    - New classes not included
    - No additional funding available
    - HHS to provide technical assistance on establishing medical criteria
  - States should be able to use supplemental funding to help meet this requirement.

# Funding timelines: Title II/ADAP

- April 1<sup>st</sup>: Title II base and ADAP formula awards
- June 1<sup>st</sup>: ADAP supplemental awards
- August 1<sup>st</sup>: Minority AIDS Initiative awards
- Title II base supplemental: unknown; probably won't be one if used for hold harmless

# Title III/Part C changes

- Same 75% core services requirement (all will comply)
- Eliminates requirement of written informed consent for HIV testing
- Hepatitis C and B info must be given during post-HIV test counseling
- During other counseling, Hep B and C transmission/prevention info must be given, along with places that give HBV vaccinations
- 75% of funding must be used for “core medical services”
- No additional funding given to carry out these tasks
- Funding cycle: varies widely; many grantees have received partial grants

## Title IV/Part D changes

- 75% core services does not apply
- Authorizes no increase in funding
- Clarifies that focus should be on family-centered care
- Requires General Accounting Office to evaluate how funding is used
- Funding awards announced on August 1st

# Immediate concerns

- Funding
  - Years of inadequate funding
  - New provisions require more resources
  - President's '08 budget flat-funds all of CARE Act except ADAP (\$25 million increase)
- Minority AIDS Initiative
  - Competitive, not formula
  - Awards on August 1<sup>st</sup> instead of March 1<sup>st</sup>
  - Many cities/states plugging gaps with Title I/II dollars
- Core services waiver: will there be one; what will it look like

# The future of the CARE Act

- Needs to be adequately funding; need to advocate for CARE Act as a whole
- Senator Kennedy's staff: wants a new program after this bill expires
- Working groups to address various issues/make recommendations
- Wants to hear from "real people"
- Will the community unite or be divided?
- Opportunity for a new system
  - Early Treatment for HIV Act
  - Institutes of Medicine recommendation

# The future of the CARE Act

- Opportunity to work with other health/disease advocates on improving/expanding the overall system
- Will depend on next Congress and next President

# Early Treatment for HIV Act

- Concept developed in late '90's
- Corrects flaw in Medicaid system
- Allows states to expand Medicaid eligibility to include low-income people with HIV who are not disabled
- Provides early access to care/treatment; meets public health guidelines
- States must implement; gives enhanced funding match
- Modeled after Breast and Cervical Cancer bill

# Early Treatment for HIV Act

- Bipartisan bill introduced every two years; bill stalls in committee
- Renewed interest with new Congress
- Senators Smith (R-OR) and Clinton (D-NY) introduced last week with several co-sponsors
- Speaker Pelosi (D-SF) and Rep. Engel (D-NY) looking for Republican co-sponsor
- Smith/Clinton trying to attach “demo” project to Budget Resolution
- Could be part of post-reauthorization discussion

# Project Inform



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